

YEAR 2004

**ANNUAL REPORT**

OF THE

NAME Landmark Water Co., L.L.C.

LOCATION 3985 Valley Commons Drive, Bozeman, MT 59718

RECEIVED BY  
705 MAY -2 AM 10:43  
PUBLIC SERVICE  
COMMISSION

**PRIVATE WATER UTILITY**

TO THE

**PUBLIC SERVICE COMMISSION**

OF MONTANA

FOR THE YEAR ENDING December 31, 2004



## **GENERAL INSTRUCTIONS**

1. Prepare this report in conformity with the 1984 National Association of Utility Regulatory Commissioners Uniform System of Accounts for Water Utilities.
2. Interpret all accounting words or phrases in accordance with the USOA.
3. Complete each question fully and accurately, even if it has been answered in a previous annual report. Enter the word "None" where it truly and completely states the fact.
4. For any question, section or page which is not applicable to the respondent enter the words "Not Applicable or NA". Do not omit any pages.
5. Where dates are called for, the month and day should be stated as well as the year.
6. Complete this report by means which result in a permanent record.
7. If there is not enough room on any schedule, an additional page or pages may be added provided the format of the added schedule matches the format of the schedule with not enough room. Such a schedule should reference the appropriate schedules, state the name of the utility, and state the year of the report.
8. This report should be filled out in duplicate and one copy returned within 2 1/2 months after the close of the reporting period. The report should be returned to:

Montana Public Service Commission  
Utility Division  
2701 Prospect Avenue  
Helena, Montana 59620

## **TABLE OF CONTENTS**

<b>SCHEDULE</b>	<b>PAGE</b>	
Identification	2	
Income Statement	3	
Balance Sheet	4	
Contributions in Aid of Construction	5	
Accumulated Depreciation & Amortization of Utility Plant	5	
Capital Stock	6	
Retained Earnings	6	
Proprietary Capital	6	
Long Term Debt	6	
Water Utility Plant Accounts	7	
Analysis of Accumulated Depreciation by Primary Account	8	
Payments For Services Rendered By Other Than Employees	9	
Water Operation and Maintenance Expense	9	
Water Customers	10	
Operating Statistics	10	

# REPORT OF

Landmark Water Co., L.L.C.

(Exact Name of Utility)

3985 Valley Commons Dr., Bozeman, MT 59718

(Address)

(City, State, Zip Code)

For Year Ended 12/31/2004

Date Utility First Organized 2/11/2003

Telephone Number (406) 586-9922

Location where books and records are located above

Contracts:			
Name	Title	Principal Business Address	Salary
Person to send correspondence:	Thomas L. Clinton Registered Agent	3985 Valley Commons Dr. Bozeman, MT 59718	XXXXXXXX
Person who prepared this report:	Terri Zullo, Controller	3985 Valley Commons Dr. Bozeman, MT 59718	XXXXXXXX
Officers & Managers:			\$
Potter Clinton Development, Inc.	Managing Member	3985 Valley Commons Dr. Bozeman, MT 59718	\$ 0
			\$
			\$
			\$
			\$

Report every corporation or person owning interest or holding directly or indirectly 5 percent or more of the voting securities of the reporting utility:

Name	Percent Ownership in Utility	Principal Business Address	Salary Charged Utility
Landmark Development - Bozeman, LLC	100%	3985 Valley Commons Dr. Bozeman, MT 59718	\$ 0
			\$
			\$
			\$

# INCOME STATEMENT

Account Name	Current Year 2004	Previous Year 2003
<b>GROSS REVENUE:</b>		
<b>Metered</b>		
Residential	63,507	26,227
Commercial		
Industrial		
Other		
<b>Unmetered</b>		
Residential		
Commerical		
Industrial		
Fire Protection		
Bulk Sales		
Sale of Materials		
Other		
<b>TOTAL GROSS REVENUE</b>	63,507	26,227
<b>Operation and Maintenance Expense</b>	42,256	24,702
<b>Depreciation Expense</b>	47,068	23,213
<b>Taxes Other Than Income</b>		
<b>Income Taxes</b>		
<b>Deferred Federal Income Taxes</b>		
<b>Deferred State Income Taxes</b>		
<b>TOTAL OPERATING EXPENSE</b>	89,324	47,915
<b>NET OPERATING INCOME (LOSS)</b>	(25,817)	(21,688)
<b>Other Income:</b>		
Non-Utility Income		
<b>Other Deductions:</b>		
Non-Utility Expenses		
Interest Expense		
<b>NET INCOME (LOSS)</b>	(25,817)	(21,688)

## COMPARATIVE BALANCE SHEET

ACCONT NAME	CURRENT YEAR 2004	PREVIOUS YEAR 2003
<b>Assets:</b>		
Utility Plant In Service	928,729	433,713
Accumulated Depreciation and Amortization	(70,281)	(23,213)
<b>Net Utility Plant</b>	858,448	410,500
Cash	21,249	445
Customer Account Receivable	5,945	2,280
Other Assets (Specify)		
<b>Total Assets</b>	885,642	413,225
<b>Liabilities an Capital:</b>		
Common Stock Issued		
Preferred Stock Issued		
Other Paid In Capital		
Retained Earnings	(47,505)	(21,688)
Proprietary Capital		
<b>Total Capital</b>		
Long Term Debt		
Accounts Payable	4418	1200
Notes Payable		
Customer Deposits		
Accrued Taxes		
Other Liabilities (Specify)		
Advances for Construction		
Contributions In Aid Of Construction	928,729	433,713
<b>Total Liabilities and Capital</b>	885,642	413,225

### Accumulated Depreciation and Amortization of Utility Plant

Account 108	Current Year	Previous Year
Balance First of Year	23,213	-0-
Credits During Year		
Accruals Charged to Depreciation Account	47,068	23,213
Salvage		
Other Credits (Specify)		
Total Credits	70,281	23,213
Debits During Year:		
Book Cost of Plant Retired		
Cost of Removal		
Other Debits (Specify)		
Balance End of Year	70,281	23,213

### CONTRIBUTIONS IN AID OF CONSTRUCTION

Report below all contractor and developer agreements and line extension agreements from which cash or property was received during the year	Indicate "Cash or Property"	Amount
Landmark Development-Bozeman, LLC Phase II, III, IV Construction	Property	495,016
Total During Year		495,016

### ACCUMULATED DEFERRED INCOME TAXES

Description	Total
Accumulated Deferred Income Taxes:	
Federal	
State	
Total Accumulated Deferred Income Taxes	



## CAPITAL STOCK

	Common Stock	Preferred Stock
Par or stated value per share		
Shares authorized		
Shares issued and outstanding		
Total par value of stock issued		
Dividends declared per share for year		
	0	

## RETAINED EARNINGS

	Appropriated	Unappropriated
Balance first of year		(21688)
Changes during year (Specify):		
2004 Earnings transferred to Retained		(25,817)
Balance end of year		(47,505)

## PROPRIETARY CAPITAL

	Proprietor or Partner	Partner
Balance first of year		
Changes during year (specify):		
Balance end of year		

## LONG TERM DEBT

Description of Obligation	Interest		Principal Per Balance Sheet Date
	Rate	Pymts	
Total			

## WATER UTILITY PLANT ACCOUNTS

Acct No.	Account Name	Previous Year	Additions	Retirements	Current Year
301	Organization	71,732	16,229		87,961
302	Franchises				
303	Land & Land Rights				
304	Structures and Improvements				
305	Collecting and Impounding Reservoirs				
306	Lake River and Other Intakes				
307	Wells and Springs				
308	Infiltration Galleries and Tunnels				
309	Supply Mains	145,415	1468		146,883
310	Power Generation Equipment				
311	Pumping Equipment				
320	Water Treatment Equipment				
330	Distribution Reservoirs and Standpipes				
331	Transmission and Distribution Mains	196,619	380,599		577,218
333	Services				
334	Meters and Meter Installations	2,547	-0-		2,547
335	Hydrants	17,400	96,720		114,120
339	Other Plant and Miscellaneous Equipment				
340	Office Furniture and Equipment				
341	Transportation Equipment				
342	Stores Equipment				
343	Tools, Shop & Garage Equipment				
344	Laboratory Equipment				
345	Power Operated Equipment				
346	Communication Equipment				
347	Miscellaneous Equipment				
348	Other Tangible Plant				
	<b>Total Water Plant</b>	433,713	495,016		928,729

# ANALYSIS OF ACCUMULATED DEPRECIATION BY PRIMARY ACCOUNT

ACCT. NO.	ACCOUNT	AVERAGE SERVICE LIFE IN YEARS	AVERAGE SALVAGE IN PERCENT	DEPR. RATE APPLIED	ACCUMULATED DEPRECIATION BALANCE PREVIOUS YEAR	DEBITS	CREDITS	ACCUMULATED DEPRECIATION BALANCE END OF YEAR
304	Structures & Improvements		%	%				
305	Collecting & Impounding Reservoirs		%	%				
306	Lake River & Other Intakes		%	%				
307	Wells and Springs		%	%				
308	Infiltrations Galleries & Tunnels		%	%				
309	Supply Mains	20	0 %	5 %	7271	7344	14,615	
310	Power Generating Equip.		%	%				
311	Pumping Equipment		%	%				
320	Water Treatment Equip.		%	%				
330	Distribution Reservoirs & Standpipes		%	%				
331	Trans. & Dist. Mains	20	0 %	5 %	9831	27,377	37,208	
333	Services		%	%				
334	Meter & Meter Installation	15	0 %	6.667 %	170	170	340	
335	Hydrants	15	0 %	6.667 %	1160	6583	7743	
339	Other Plant & Misc. Equip.		%	%				
340	Office Furniture and Equipment		%	%				
341	Transportation Equip.		%	%				
342	Stores Equipment		%	%				
343	Tools, Shop & Garage Equipment		%	%				
344	Laboratory Equipment		%	%				
345	Power Operated Equipment		%	%				
346	Communication Equipment		%	%				
347	Miscellaneous Equipment		%	%				
348	Other Tangible Plant		%	%				
Totals					18,432	41,474	59,906	

## WATER OPERATION AND MAINTENANCE EXPENSE

ACCOUNT NAME	AMOUNT
Salaries and Wages - Employees	
Salaries and Wages - Officers, Directors and Majority Stockholders	
Employee Pensions and Benefits	
Purchased Water	36,802
Purchased Power	
Fuel For Power Production	
Chemicals	
Materials and Supplies	
Contractual Services	4,800
Rents	
Transportation Expense	
Insurance Expense	
Regulatory Commission Expense	
Bad Debt Expense	
Miscellaneous Expense	654
<b>Total</b>	42,256

## PAYMENTS FOR SERVICES RENDERED BY OTHER THAN EMPLOYEES

Report all information concerning rate, management, construction, advertising, labor relations, public relations, or other similar services rendered the respondent for which the aggregate payments during the year to any corporation, partnership, individual or organization of any kind whatever, amounting to \$500. or more. Utilities having revenue in excess of \$100,000 should report amounts of \$5,000 or more.

[illegible]

Surface Water: River \_\_\_\_\_ Lake \_\_\_\_\_ Stream \_\_\_\_\_ Impounding Res. \_\_\_\_\_  
Ground Water: Springs No. \_\_\_\_\_ Shallow Wells No. \_\_\_\_\_ Deep Wells No. \_\_\_\_\_

Size Inches	First of Year	Laid During Year	Total	Abandoned During Yr.	Taken Up During Yr.	Total	Close of Year
12"	6873	- 0 -					6873
10 "	243	1974					2217
8"	1523	12713					14236
6"	4636	1932					6568
Total	13275	16,619					29,894

Number of Reservoirs \_\_\_\_\_ Capacity in Gallons \_\_\_\_\_  
 Number of Standpipes \_\_\_\_\_ Capacity in Gallons \_\_\_\_\_  
 Method of Purification \_\_\_\_\_

Services	5/8 in.	1 in.	1 1/2 in.	2 in.	3 in.	4 in.	6 in.	3/4"
1/2 in.								240
Meters								

-Beginning of Year-  
2004

-Close of Year-  
2004

Classification	Metered	Unmetered	Total	Metered	Unmetered	Total	Increase or Decrease
Residential	63		63	166		166	103
Commercial							
Industrial							
Fire Hydrants							
Governmental							
All Other							
Total	63		63	166		166	

Total Amount of Water Obtained by all methods during the Year	_____	gals.
Maximum Water obtained all methods during any one day	_____	gals.
Minimum Amount of Water obtained all methods during one day	_____	gals.
Total Amount of Water passed through customers meters during year	<u>15,094,950</u>	gals.
Range of ordinary pressure on mains _____ lbs. to _____ lbs.		
Range of fire pressure in mains _____ lbs. to _____ lbs.		

STATE OF MONTANA )  
County of Gallatin )

We, the undersigned, on our oath do severally say that the foregoing return the  
Landmark Water Co., L.L.C., water utility, has been prepared  
under our direction from the original books, papers and records of said utility and declare  
the same to be a full, true and correct statement embracing all the financial transactions of  
said utility during the period for which the return is made.

Terri Gulb

Subscribed and sworn to before me this 29 day of April, ~~19~~ 2005.

Connie J. Thompson

Connie J. Thompson

My Commission expires 9-19-2006  
Residing in Belgrade, MT